

## Large Risk Policy Wording

**Coverage:** This Policy consists of coverages summarized in the Schedule and detailed in Section I, Section II, Section III, Section IV, Section V, Section VI General Conditions, General Exclusions, Specific Conditions and Specific Exclusions, which form the Policy and are attached hereto. The following summary of the scope of cover is for information purposes only, without restricting or widening the cover described in the individual sections, any claim for completeness or assuming liability:

**Policy Sections:**

**Section – I: All Risks of Physical Loss or Damage / (Non–Marine) Property (excluding Machinery Insurance)**

All (**non – marine**) property of the Insured and/or held by them in trust and/or on commission and/or in joint account with others and/or for which they have an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises as specified in the Schedule and in all other Premises of The Insured or whilst at third party Premises as specified in The Schedule.

**Section – II: All Risks of Physical Loss or Damage / Machinery Insurance**

All Machinery and Equipment including electrical or electronic machinery of The Insured's plants including spare parts with no specification being the property of The Insured and all machinery and equipment in which The Insured has an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises and elsewhere as specified in The Schedule.

**Section – III: All Risk Operational Business Interruption**

To indemnify The Insured in respect of Loss of Gross Profits the loss actually sustained during the Indemnity Period resulting from a reduction in turnover including any increased cost of working due to an interruption of The Insured's business following loss or damage to any property and / or assets insured and recoverable under Section I, & II.

**Section – IV: Marine Transit Section**

To indemnify the goods and/ or merchandise at and from ports and/or places anywhere in India to ports and/or places anywhere in India including transits to or from the premises of the Assured, forwarders, packers consolidators, hauliers, warehousemen and other bailees, via any route including transshipment by land, water or air.

**Section – V: Liability Section**

To indemnify the Insured against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, and completed operations

### **Section – VI: Terrorism**

To indemnify the Insured in respect of physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess under the Policy

### **Definitions**

**“Proposal”** means any signed proposal by filling up the questionnaires and declarations, written statements and any information in addition thereto supplied to Company by Insured or on Insured’s behalf.

**“Policy”** means the Policy Booklet, the Schedule, the Proposal and any applicable endorsements or memoranda. The Policy contains the details of the extent of the cover available to the Insured, what is excluded from the cover and the conditions, warranties and exclusions on which the Policy is issued.

**"Policy Period"** means the period between the commencement date and the expiry date shown in the Schedule.

**"Insured / Insuring Party / Insured Party"** wherever used in this Policy means the Insured named in the Schedule.

**"Claim"** means a claim under an Operative Clause in respect of an insured event that has taken place or is likely to take place

**"Insured Premises"** means the place(s) declared for insurance and named in the Schedule attached to the policy.

**"Schedule"** means the latest schedule issued by the Company as part of the Policy. It provides details of the Insured’s Policy including full description of properties covered which are in force and the period of cover against the properties described. Whenever, the Insured requests for a change in the cover, the same will be communicated by way of an endorsement, subject to payment of premium by the Insured as demanded by the Insurer for such change in cover.

**“Property Damage”** means actual physical damage to the Insured property

**“Property”** means assets, machinery, equipment, furniture, fixtures and fittings, electrical installations and stock and stock-in-trade in the Insured’s premises described in the Schedule to this Policy including items contained therein for which the Insured is accountable.

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“**New replacement Value**” is the amount needed to replace damaged insured property with items of like kind and quality, without deducting for depreciation.

## **General Conditions (Applicable to all Sections)**

### **1. Several Liability Notice**

The Insurer(s) is(are) the Company or Companies named in The Schedule; if there is more than one Company, each Company shall be separately liable only to indemnify the Insured for that proportion of any claim as set out in the Schedule of this Policy of Insurance.

### **2. Policy Interpretation, Rights and Obligations**

#### **2.1. Identification**

This Policy of Insurance and the Schedule (which forms an integral part of this Policy) shall form the entire agreement between The Insurer and the Insuring Party and any party claiming as an insured and shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of The Schedule shall bear such specific meanings wherever they shall appear.

This Policy of Insurance supersedes and replaces all prior communications, representations, warranties, undertakings and agreements between the parties whether oral or written.

#### **2.2. Order of Precedence**

It is understood and agreed that all printed clauses referred to herein apply insofar as they do not conflict with the typewritten wording of this Policy, the typewritten wording of this Policy taking precedence and the typewritten wordings / handwritten wordings, if any, shall be paramount.

#### **2.3. Captions, Headings and Language**

It is hereby understood and agreed that the captions and headings of the clauses are inserted herein for reference purposes only and are not part of the clauses to which they refer, the language of this Policy is deemed to be that of Insurers, i.e. English.

#### **2.4. Assignment**

Assignment or transfer of this Policy shall not be valid without the written consent of The Insurer.

#### **2.5. Information rights of The Insurer and Confidentiality Agreement**

The Insurer shall be permitted but not obligated to inspect The Insured's property and operations at any reasonable time and The Insured shall provide the Insurer with all relevant details and information. Neither the right to make inspections nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking on behalf or for the benefit of The Insured or others to determine or warrant that such property or operations are safe and healthy or are in compliance with a law, rule or regulation.

The Insurer will maintain confidential any information obtained under this Policy and not use such information except for the purposes of the Policy.

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## **2.6. Premium payment**

The required cover for which Premium was sought shall not be available to the Insured until such date that the Premium is paid by the Insuring Party and realised by the Insurer and it is understood that payment of the Premium is a condition precedent to The Insurer's liability towards any Insured Party under any Section of this Policy of Insurance. Cover as agreed under this Policy would incept from the date of payment of the required Premium. The Insurer shall not be liable to indemnify the Insured or any Insured Party in respect of any occurrence happening prior to receipt of the Premium.

## **2.7. Sum Insured**

It is a requirement of this Policy of Insurance that the sum(s) insured specified in The Schedule in respect of the Property Insured shall not be less than the New Replacement Value of such property.

## **2.8. Cancellation**

This Policy may be terminated at any time at the written request of the Insuring Party with seven days notice.

The Insurer may cancel this Policy by giving The Insuring Party not less than 30 days prior written notice.

In either case, pro-rata daily return of Premium shall be payable to The Insuring Party for the unexpired period from the date of termination.

## **2.9. Expiration**

If this Policy should expire or be cancelled while an insured event affecting the Property Insured is in progress, it is understood and agreed that Insurers, subject to all other terms, conditions and exclusions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

## **2.10. Fraud and forfeiture**

If an Insured Party makes any claim that is fraudulent or any false declaration or statement in support thereof, this Policy of Insurance between the Insurer and the Insured Party making such a claim shall become void and The Insurer shall not be liable to make any payment hereunder to that party.

For the avoidance of doubt, the Insuring Party shall not be entitled to any return of Premium in the event that the Policy of Insurance is treated as void.

## **2.11. Mis-description**

If there be any material mis-description by the Insured or any one acting on his behalf of any of the property hereby insured, or of any place in which such property is contained, or of the business or Premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact, The Insurer shall not be liable under this Policy for the property affected by any such mis-description, misrepresentation or omission.

## **2.12. Non-Disclosure**

It is also understood and agreed that this Policy shall be void and all premiums paid hereon shall be forfeited to the Company in case of non-disclosure of material facts by the Insured

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in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld..

### **2.13. Act of default (Breach of Conditions)**

In the event of an Act of default being committed by an Insured Party or its Representatives. The Insurer shall not be liable to pay any amount to the Insured Party under this Policy of Insurance.

An Act of default committed by one Insured Party or its Representatives shall not prejudice the entitlement to indemnity of any other Insured Party that has not itself (and whose Representatives have not) committed an Act of default.

In the event of the Insurer refusing to indemnify an Insured Party as a result of any Act of default no other Insured Party shall be entitled to indemnity in respect of the same loss or damage by assuming the rights or obligations of the Insured Party whose claim for indemnity the Insurer has refused or is entitled to refuse.

In the event of an Act of default The Insurer shall be entitled to claim from the Insured Party any loss or damage it may have suffered including, without limitation, any sums it may have paid to any other Insured Party as a result of any loss or damage caused or contributed to by the Insured Party or its Representatives committing an Act of default.

### **2.14. Material Change**

As soon as is reasonably possible, any party named as the Insured in any Section of this Policy of Insurance shall notify the Insuring Party of any Material change in risk of which it is aware or ought reasonably to be aware and shall take or cause to be taken at its own expense any additional precautions that may be necessary to prevent loss or damage occurring to the Property Insured as a result of such Material change in risk.

The Insuring Party shall immediately notify the Insurer in writing upon receipt of any notice from the Insured.

The Insurer shall not be liable for any loss of or damage to Property Insured which would not have resulted had there not been a Material change in risk unless The Insurer has agreed to the Material change in risk in which case the scope of cover and Premium shall, if necessary, be adjusted by the Insurer to reflect the Material change in risk.

### **2.15. Reasonable precautions**

The Insured shall take at his own expense all reasonable precautions, maintain the property in a proper state of repair and comply with all reasonable recommendations made by The Insurer, to prevent loss of or damage to the Property Insured or any liability arising under this Policy of Insurance and comply with all relevant statutory requirements.

### **2.16. Preventive Maintenance**

It is a condition of this Policy that the Insured takes all reasonable steps to inspect and maintain the Property Insured. Any plant, machinery or equipment forming the Property Insured shall be inspected and maintained in accordance with the recommendations of the suppliers or manufacturers of such plant, machinery or equipment. Such inspection and maintenance shall include safety checks, preventive inspection and maintenance, rectification of loss or damage or faults arising from normal operation or wear and tear as well as from ageing, and shall also include the repair or preventive replacement of components modules

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or parts. The Insured shall fully observe the government and all other binding regulations in force concerning the working of the Property Insured and shall see to it that the machinery is under the supervision of competent personnel.

### **2.17. Clarification Agreement**

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement:

1. Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
2. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

### **3. Claim Settlement:**

The Company will settle the Claim under this Policy within 30 days from the date of receipt of necessary documents required for assessing the Claim, provided the loss or damage occurred is covered under the terms and conditions of policy issued.

In the event that the Company decides to reject a Claim made under this Policy, the Company shall do so within a period of thirty days of the survey report or the additional survey report, as the case may be, in accordance with the provisions of Protection of Policyholders' Interest Regulations 2002.

### **General Exclusions (Applicable to all Sections)**

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

#### **1. Political Risks Exclusion**

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the

following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- a. war (whether declared or not), invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, conspiracy, military or usurped power, confiscation, nationalization, commandeering, requisition or destruction or damage by or under the order of any government de jure or de facto or by any public or local authority, civil commotion assuming the proportions of or amounting to an uprising; or
- b. Any act of terrorism.

This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

This clause also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a and/ or b above.

If The Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured.

## **2. Radioactive Contamination**

Nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed aggravated by the peril(s) insured hereunder, including the following:

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from combustion of nuclear fuel

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- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c. any weapon of war, missile or like employing atomic or nuclear fission and / or fusion or other like reaction or radioactive force or matter
- d. nuclear reaction, nuclear radiation or radioactive contamination

### **3. Act of default**

Any Act of default committed by the insured or its Representatives.

### **4. Deductibles**

The amounts stated in The Schedule as being the Deductibles, Time Excess..

## **Occurrence of a Loss, Claims and Indemnification Provisions**

### **1. Conditions for Loss settlement under Section I or II**

#### **1.1. Claims and loss notification**

In the event of loss and/or damage, claim or suit, which may reasonably give rise to a claim under this Policy of Insurance, the Insured shall:

- a. give to The Insurer as soon as practicable, but not later than 30 days after the occurrence of the event written notice containing particulars sufficient to identify the loss and/or damage, claim or suit and also reasonably obtainable information with respect to the time, place and circumstances thereof as well as nature and extent of the loss or damage, and the names and addresses of available witnesses.
- b. take such measures as may be reasonable for the purpose of averting or minimising such loss or damage
- c. ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised; if claim is made or suit is brought against the Insured, the Insured shall at the earliest practicable advise the Insurer of every demand, notice, summons or other process received by him or his representative.
- d. co-operate with the Insurer, and, upon the Insurer's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to the Insured because of property damage with respect to which insurance is afforded under this Policy, and the Insured shall attend hearings, and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
- e. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation, or incur any expenses. Notwithstanding the foregoing this clause shall not override the provisions of the Subrogation Clause.
- f. do and concur in doing and permit to be done all such things as may be practicable to establish the cause and extent of the loss or damage

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- g. preserve all parts affected and make them available for inspection by the Insurer as long as the Insurer may require
- h. furnish any information and documentary evidence that the Insurer may require together with, if required, a statutory declaration of the truth of the claim
- i. inform the police authorities of loss or damage due to major fire, theft or burglary or actions by any malicious person and render all reasonable assistance to the police authorities

### **1.2. Claims Provisions**

If the Insured or anyone acting on his behalf hinders or obstructs the Insurer in any way or does not comply with any reasonable recommendations the Insurer may make following the notification of any loss or damage, all benefits claimed under any Section of this Policy shall be forfeited.

The Insurer shall reimburse the Insured for any charges properly and reasonably incurred in pursuance of its duties in relation to clause (b) and (c) above in addition to any loss recoverable under any Section of this Policy.

The Insurer shall not be liable for loss or damage of which he has not received notification within 30 days of its occurrence.

### **1.3. Rights of the Insurer in case of a loss**

On the happening of any loss or damage to any of the Property Insured under this Policy the Insurer may

- a. enter and take and keep possession of the building or Premises where the loss or damage has happened
- b. take possession of or require to be delivered to it any property of the Insured in the buildings or on the Premises at the time of the loss or damage
- c. keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same
- d. sell any such property or dispose of the same for account of whom it may concern. The powers conferred by this condition can be exercised by the Insurer at any time until notice in writing is given by the Insured that he makes no claim under this Policy or, if any claim is made, until such claim is finally determined or withdrawn, and the Insurer shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this Policy in answer to any claim.

If the Insured or any person acting on his behalf shall not comply with the requirements of the Insurer or shall hinder or obstruct the Insurer in the exercise of its powers hereunder, all benefit under this Policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not.

### **1.4. Repair of Minor Damage**

Upon notifying the Insurer the Insured may repair any minor damage or replace any parts of the Property Insured that have sustained minor damage. In all other cases The Insurer's Agent shall be given the opportunity to inspect the loss or damage before any repairs are effected and if the Insurer's Agent does not carry out the inspection within a period of time which could be considered reasonable under the circumstances, the Insured shall be entitled to proceed with the repair or replacement.

#### **1.5. Original Equipment Manufacturer Parts**

It is further noted and agreed that in the event of accidental physical loss or damage to the Property Insured hereunder the Insured, at sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote does not exceed 25% of the lowest quote and quotes are based on same technological specifications.

#### **1.6. Obsolete Spare Parts**

In the event of spares currently insured hereunder and represented within the total Sum Insured under the Policy of Insurance becoming obsolete following an indemnifiable loss to the unit and/or units to which they belong such spare parts shall also be deemed a constructive total loss provided always that such parts cannot be used as spares for any other units within the Premises of the Insured. Insurers retain salvage rights over such parts.

#### **1.7. Salvage**

The salvage of any insured property on the occurrence of any loss or damage herein shall accrue to the Insurer (subject to indemnification of the Insured in full). the Insurer shall have the right to take possession of such salvage.

#### **1.8. Brands and trademarks**

In case of loss or damage to property bearing a brand or trademark, or the name of the Insured, which in any way carries or implies the guarantee or the responsibility of the manufacturer or the Insured, the salvage value of such damaged property shall be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics.

The Insured shall have full right to the possession of all goods involved in any loss under this Policy and retain control of all damaged goods. The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this Policy are fit for consumption and no goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with the Insured's consent but the Insured shall allow Insurers any salvage obtained by the Insured on sale or other disposition of such goods.

#### **1.9. Underinsurance**

If the property hereby insured shall, at the commencement of any damage, be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference, and shall bear the rateable proportion of the loss accordingly. Salvage is to be considered in the same proportion. Every item, if more than one, of the Policy shall be separately subject to this condition.

#### **1.10. Contribution**

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If at the time of any loss or damage occurrence to any property hereby insured, there be any other subsisting insurance or insurances whether effected by the Insured or by any other person or persons, covering either such loss or any part of it or the same property the Insurer shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

#### **1.11. Loss Payee**

Loss is payable to the Insured or as directed by the Insured, which shall include such party who has an insured interest in the subject matter insured at the time of loss or damage.

#### **1.12. Bankruptcy and Insolvency**

In the event of bankruptcy or insolvency of the Insured or any entity comprising the Insured, the Insurer shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency, except under Section III(All Risk Operational Business Interruption).

#### **1.13. Deductibles**

This Policy does not cover the amounts of the Deductibles stated in the Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any underinsurance.

Warranted that the Insured shall not effect insurance in respect of the amounts of the Deductibles stated in the Schedule.

#### **1.14. Reinstatement of Policy Limit**

At all times during the Period of Insurance of this Policy, the insurance cover will be maintained to the full extent of the respective Sum Insured in consideration of which upon the settlement of any loss under this Policy exceeding the amount specified in The Schedule, pro-rata Premium for the unexpired period from the date of such loss to the expiry of Period of Insurance for the amount of such loss shall be payable by the Insured to the Insurer.

The additional Premium referred above shall be deducted from the net claim amount payable under this Policy. This continuous cover to the full extent will be available notwithstanding any previous loss for which the Insurer may have paid hereunder and irrespective of the fact whether the additional Premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the Insured subject only to the right of the Insurer for deduction from the claim amount, when settled, of pro-rata Premium to be calculated from the date of loss till expiry of this Policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case the Insured immediately on occurrence of loss exercises his option not to reinstate the Sum Insured as above.

#### **1.15. Claims / Payments “on account”**

All claims to be paid to the Insured within reasonable time after receipt of satisfactory documentation and the determination of the quantity of the loss presented by the loss adjuster(s) and agreed by the Insurer.

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In the event of indemnifiable loss or damage, payment “on account” will be made by the Insurer as early as possible on request if this is approved by the Insurer and where the liability of the Insurer has been established in a preliminary loss report and accepted by the Insurer.

#### **1.16. Claims Payment Currency**

Claim payments shall be made in the same currency as Premium received by the Insurer. If exchange rates are to be applicable, the exchange rate will be the one specified in the London Financial Times for the date of Premium received by the Insurer.

#### **1.17. Seventy two hours Clause**

##### **17.1. Windstorm**

Insurers shall not be liable for any loss occurring before the effective date and time of the Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first windstorm damage occurs prior to the date and time of the expiration of this Policy.

Each loss by windstorm shall constitute a single claim hereunder; provided, if more than one windstorm shall occur within any period of seventy two (72) hours during the term of this Policy such windstorm shall be deemed to be a single windstorm within the meaning thereof.

Official recognized Authority (or as agreed between the Insurer and the Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hour periods shall overlap.

##### **17.2. Earthquake**

The Insurers shall not be liable for any loss caused by an earthquake occurring before the effective date and time of this Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the earthquake damage occurs prior to the date and time of the expiration of this Policy.

Any and all losses caused by earthquake shall constitute a single loss hereunder provided that more than one earthquake shock occurring within any seventy two (72) hour period during the Period of Insurance of this Policy shall be deemed to be a single earthquake within the meaning thereof.

Official recognised Authority (or as agreed between the Insurer and the Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

##### **17.3. Flood**

The Insurers shall not be liable for any loss caused by flood occurring before the effective date and time of this Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first flood damage occurs prior to the date and time of the expiration of this Policy.

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Each loss caused by flood and all losses caused by flood within a seventy-two (72) hours period shall be deemed to constitute a single loss.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

#### **1.18. Time limit**

The Insurer is not liable for any loss or damage after the expiration of 24 months from the discovery of the loss or damage unless otherwise agreed in writing or the claim is submitted to a court or arbitration panel within the time prescribed therefore in accordance with applicable law.

The Insurer agrees that any action or proceeding against them for the recovery of any claim under or by virtue of this insurance shall not be barred if commenced within the time prescribed therefore in accordance with applicable law.

#### **1.19. Disclaimer of liability**

If the Insurer disclaims liability in respect of any claim and if conciliation is not commenced within 12 (twelve) months of such a disclaimer, all benefits under this Policy of Insurance in respect of that claim shall be forfeited.

#### **1.20. Subrogation**

The Insurer shall upon reimbursement hereunder to the Insured of any loss, damage or expense be subrogated to all the Insured's rights of recovery against any other person, firm or corporation who may be legally or contractually liable for such loss, damage or expenses so reimbursed by the Insurer, provided that

- if there is a partial reimbursement, subrogation to be restricted to the amount settled.
- the Insurer shall pass on to the Insured such money or monies recovered by them that is in excess of the loss, damage or expenses so received by the Insured.

the Insurer shall waive its rights of subrogation against all Insured Parties provided no Act of default including criminal or deliberate or fraudulent acts committed by any Insured Party or its Representatives has caused any loss or damage to any other Insured Party. It is agreed that the Insurers may make a claim upon and institute legal proceedings against any parties believed responsible for loss, damage or expense reimbursed hereunder in the name of the Insured and the Insured shall provide the Insurer his full co-operation in pursuing such claim or legal proceedings.

The Insured shall at the Insurer's expense do and concur in doing and permit to be done all actions that may be necessary or required by the Insurer in the interest of any rights or remedies or for the purpose of obtaining relief or indemnity to which the Insurer is or would become entitled or which is or would be subrogated to him upon indemnification or rectification of any loss or damage under this Policy of Insurance, regardless of whether such action is or becomes necessary or required before or after the Insured's indemnification by the Insurer.

Except as specifically provided or permitted by this Policy, the Insured shall not waive, release or diminish rights of recovery or subrogation with respect to any claim which, upon

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payment thereof by Insurers, would otherwise belong or accrue Insurers, and insofar as and to the extent that any action by the Insured waives, releases or diminishes the rights of recovery or subrogation in respect of such claim, the Insured shall have no liability under this Policy.

#### **1.21. Arbitration**

If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

#### **1.22. Governing law and jurisdiction**

This Policy shall be construed according to **INDIAN** laws and The Insurers undertake to submit to the jurisdiction of **INDIAN** Courts in respect of any matter relating to or arising out of this Policy but nothing herein contained shall be held to detract from the force of the arbitration clause above.

#### Policy Wordings – Large Risk Insurance Policy

## **Section I – All Risks Physical Loss or Damage – (Non Marine) Property**

### **1. Property Insured**

All permanent and temporary property of *The Insured* and/or for which they have an insurable interest and/or may otherwise be interested in case of fortuitous and accidental physical loss or damage covered under this Policy, directly or indirectly wholly or partially caused by or resulting from any cause excepted herein after provided. whilst contained in the *Premises* as specified in *the Schedule*. (Properties like basement/sub-floors, Plant and Machinery Foundations/pilings, Electrical Installations, Spares and consumables, fuels, furniture/fixtures/ fittings, cables, transmission lines etc)

### **2. Insuring Clause**

*The Insurer* agrees subject to the terms, definitions, warranties, exclusions, limits, provisions and conditions of this *Section* and of the Policy as a whole to indemnify *the Insured* against:

All Risks of fortuitous and accidental physical loss or damage or destruction to the *Property Insured* occurring during the *Period of Insurance*, which results in *Property Insured* needing to be repaired or replaced, other than those specifically excluded:

### **3. Special Exclusions to Section I**

#### Policy Wordings – Large Risk Insurance Policy

This *Section* does not cover loss or damage to any *Property Insured* caused directly or indirectly by or in connection with or arising from or occasioned through :

- (a) inherent vice, latent defect, wear and tear or gradual deterioration, leakage, seepage, pollution, contamination, overflowing of tank, smog or extremes or changes of temperature or humidity or to non-existing, non-functional or inadequate heating, air-conditioning or cooling equipment including operating error, condensation, excessive moisture, dampness of atmosphere, seepage, disease, deterioration, decay, mildew, mould, fungus, wet or dry rot, insect larvae or vermin of any kind, infestation loss or damage by normal settling, shrinkage or expansion in buildings or foundations, other loss or damage of gradual nature, such as corrosion, erosion, cavitation, rust and scale, scratching of painted or polished surfaces,

unless fortuitous accidental loss or damage covered under this *Policy of Insurance* ensues to other *Property Insured* and only such ensuing loss will be covered under this *Policy of Insurance* or unless such loss or damage is a result of an occurrence of loss or damage otherwise indemnifiable under this *Section*;

- (b) infidelity or any dishonesty on the part of *the Insured* or any of his employees or others to whom the property may be delivered or entrusted, inventory shortage or unexplained disappearance;
- (c) processing, renovating, repairing or faulty workmanship thereon unless fortuitous accidental loss or damage covered under this *Policy of Insurance* ensues and only such ensuing loss will be covered under this *Policy of Insurance*;
- (d) go-slow, total or partial cessation of work,

*The Insurer* shall not be liable for

- (e) loss of use, delay or loss of markets or *Consequential Loss* of any nature whatsoever or any costs to reduce it unless covered under Section III of the *Policy of Insurance*
- (f) shrinkage, evaporation, loss of weight, leakage, breakage of glass or other fragile articles, marring, scratching, exposure of light, or change in colour, texture or flavour unless fortuitous accidental loss or damage covered under this *Policy of Insurance* ensues and only such ensuing loss will be covered under this *Policy of Insurance*;
- (g) theft where *Property Insured* is left in the open and not contained in buildings on permanent foundations, unless storage of such item is normally in the open;
- (h) release, discharge, or dispersal of toxic or hazardous substances, contaminants or pollutant, proximate or remote.
- (i) loss or damage for which cover is afforded under Section II of this *Policy of Insurance*

#### **4. Excluded Property**

This *Section* does not cover:-

- (a) aircraft, watercraft including floating equipment, ships and vessels, spacecraft and satellites, railway locomotives, rolling stock
- (b) vehicles, construction plant and equipment other than those used within *the Insured Premises* and expressly defined in The Schedule

#### Policy Wordings – Large Risk Insurance Policy



- (c) money, stamps, cash, credit cards, cheques, securities or obligations of all kind, deeds or documents, evidence of debt or title, patterns, plans, designs, rare books, jewellery, precious stones, gems or metals, unless specifically covered;
- (d) furs and garments trimmed with fur
- (e) works of art, unless expressly specified in *The Schedule*;
- (f) standing timber, growing crops, livestock and animals, landscaping, flora and fauna;
- (g) land including topsoil, backfill or land values, water, roads, runways, railway lines, transmission and distribution lines outside plant *Premises*, drainage and culverts, canals, dams, reservoirs, wells, pipelines outside plant *Premises*, tunnels, bridges, mining property, any property underground, drilling rigs, docks, piers, wharves, offshore property; unless specifically covered
- (h) explosives, materials in process damaged by operational error and as a result of its undergoing any process, maintenance, repair or testing or any emergency shutdowns;
- (i) goods or property in transit other than within the *Premises* or specified in *the Schedule*..
- (j) property of *the Insured*, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.
- (k) Loss or damage to *Property Insured* if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days

## 5. Special Conditions for Loss settlement under Section I

### 5.1 Reinstatement Value Conditions

At the option of *the Insured* in the event of loss or damage to the *Property Insured* the insurance benefits in respect thereof shall be based on the cost of replacing or reinstating the Insured property or other property as *the Insured* may require.

Provided that the liability of *the Insurer* shall not exceed the cost of replacing or reinstating the property with property of a substantially similar kind and type not being superior to or more extensive than *the Insured* property when new.

Subject to the following Special Provisions and the terms and conditions of the Policy except as varied hereby:

The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of *the Insured* subject to the liability of the *Company* not being thereby increased) must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the *Company* may in writing allow, otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.

Where for any reason, it is not possible or if *the Insured* elects not to rebuild or replace, *the Insurer* will pay to *the Insured* the *Actual Cash Value* of the property at the time of Loss.

If the *Property Insured* shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under the Policy be of greater value than the *Sum Insured* under

#### Policy Wordings – Large Risk Insurance Policy

the Policy, then *the Insured* shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss. Each item of the Policy to which this condition applies shall be separately subject to the foregoing provision.

Claims are to be settled on *Actual Cash Value* on finished goods, feedstock, chemicals, stores and spares and other insured stock and work in progress. Where feed stock chemicals and stores and spares are not replaced by item of specification same as the one lost or damaged, but by an item of inferior quality / specification for operating reasons or other reasons, *the Insured* will be indemnified as if he had replaced like items which were lost or damaged, based on prices prevailing at the time of damage / loss. Any financial loss caused by the use of items of inferior quality is not covered.

With respect to catalysts lost or damaged, the basis of indemnity if cover is endorsed to this *Policy of Insurance* is the *Actual Cash Value* at the time of the loss as per endorsement.

Where the Assets damaged or lost are those for which *the Insured* is only contractually liable for maintenance, the basis of indemnity shall still remain the same as above, irrespective of any contract to the contrary.

## **5.2 Limit of Liability**

In no event shall *the Insurer's* liability arising from any one accident or occurrence exceed the total value of *Property Insured* herein as per *the Schedule*.

## **5.3 Deductible**

Each loss or series of losses shall be adjusted separately and from the amount of each such adjusted loss the sum stated as the *Deductible* in *the Schedule* shall be deducted.

### Policy Wordings – Large Risk Insurance Policy

## Section II – All Risk Machinery Insurance

### 1. Property Insured

This Section insures the following property: All Machinery and Equipment including electrical or electronic machinery of The Insured's plants and spare parts with no specification being the property of the Insured and all machinery and equipment in which the Insured has an insurable interest in the Premises of the Insured and elsewhere as specified in the Schedule.

### 2. Insuring Clause

The Insurer agrees subject to the terms, definitions, warranties, exclusions, limits, provisions and conditions of this Section and of the Policy of Insurance as a whole to indemnify the Insured against accidental physical damage to machinery and/or equipment insured caused by an Accident occurring during the Period of Insurance, which results in such machinery and/or equipment insured needing to be repaired or replaced.

Accident shall mean unforeseen and fortuitously manifested and/or occurred physical damage including Electrical Breakdown and Boiler Explosion to the machinery and/or equipment described above or thereof from any cause not excluded

- (a) while it is at work or at rest or during testing
- (b) while being dismantled for the purpose of cleaning, inspection and overhauling or removal to another position or in the course of these operations themselves or subsequent re-erection within the Premises of the Insured or elsewhere.

### 3. Excluded Property

This Section does not cover (unless otherwise expressly agreed in writing) any Accident or Damage to any of the following excluded property:

- (a)
  - consumables, dies or exchangeable tools, moulds, engraved cylinders
  - parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory, linings, crushing hammers, objects made of glass, belts, cables, ropes, chains, wires, rubber, tyres and all non - metallic parts
  - operating media, eg lubricants, fuels, catalysts, batteries
  - escape of water from water containing apparatus,

It is noted however that:

- this exclusion shall not be applicable when damage to these parts only is part of a loss and/or damage to an insured machine,
  - this exclusion shall only refer to these parts and not to any resulting damage to the machinery insured under this Section of the Policy of Insurance;
  - electrical cables and instrumentation cables are not excluded in this clause
  - for the exceptions mentioned above this exclusion shall not exclude coverage under Section IV arising as a result of such loss or damage.
- (b) Mechanical, electrical and electronic equipment prior to the successful completion of their performance acceptance tests (see below)
- (c) Transmission and distribution lines outside insured plant Premises
- (d) Any property underground or offshore
- (e) Property of the Insured, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.

### 4. Special Exclusions to Section II

#### Policy Wordings – Large Risk Insurance Policy

This Section does not cover damage to any Property Insured under this Section caused directly or indirectly by or in connection with or arising from or occasioned through :

- (a) wearing away or wearing out of any part of any Property Insured caused by or naturally resulting from ordinary use or work such as cavitation, erosion, corrosion, rust or due to any gradual deterioration caused by atmospheric conditions or due to other causes boiler scale, incrustation, deterioration, settling, gradual cracking, gradually developing deformation or distortion, scratching of painted or polished surfaces. but this exclusion shall be limited to the items immediately affected and shall not exclude liability for loss or damage not otherwise excluded to other parts of the Property Insured as a consequence thereof;
- (b) any faults or defects existing at the time of commencement of this Policy of Insurance of which the Insured or his Representatives were or ought reasonably to have been aware, irrespective of whether such faults or defects were known to the Insurer or not;
- (c) go-slow, total or partial cessation of work, the Insurer shall not be liable for
- (d) loss or damage caused by intentional overloading or experiments involving the imposition of abnormal conditions, except for conditions permitted by the manufacturers or by judgement of a competent engineer or where such conditions arise during normal periodic testing, including precommissioning start-up and commissions of Construction and / or erection Projects insured under this section.
- (e) costs of maintenance, upgrade or improvement, normal upkeep
- (f) loss of or damage to hired equipment for which the lessor is responsible either by law or ordinance or under any contract or agreement;
- (g) loss or damage for which the manufacturer or supplier of the property is responsible either by law or ordinance or under any contract or agreement.  
This exclusion shall not apply to loss or damage caused in the course of reinstating or replacing an otherwise insured damage.
- (h) any increase in the cost of replacement or repair due to enforcement of any ordinance or law;
- (i) loss of use of any machinery, delay or loss of markets or Consequential Loss of any nature whatsoever or any costs to reduce it unless covered under Section III of the Policy of Insurance;
- (j) loss or damage for which cover is afforded under Section I of this Policy of Insurance.

#### **5. Testing and Commissioning Clause**

Acceptance of new property hereon - other than as provided under extension (Capital Additions/ Newly acquired Property/Interests) - is subject to satisfactory completion of the following procedures:

Mechanical completion including testing.

- (a) Testing and commissioning conforming to 100% (one hundred per cent) Contract Design to temperatures and pressures maintained by the entire plant in a stable and controlled manner for a continuous ongoing period of a minimum of 72 hours duration all



as approved by the Insured and an engineer firm or licensor involved in said project or as per standard practice of the contractor or the licensor.

(b) Official acceptance by the Insured following formal handover without reservation or waiver of guarantee conditions to suppliers of equipment in respect of said mechanical specifications it being understood that no equipment faults or punch list items affecting mechanical integrity of the plant are outstanding and that no temporary structures and no modifications remain as shall be notified by the Insured

In the event that compliance with (a) and (b) above will be deferred upon mechanical completion and testing the Insured agrees to advise the Insurers in writing of such alternative procedures which will be adopted prior to the attachment hereunder of such new property Notwithstanding the above, in respect of acquisitions exceeding the sum noted in the Schedule of property and plant hereon, these are to be agreed by Insurers. It is further noted and agreed that the terms and conditions are to be reviewed by Insurers.

The above provisions do not apply to normal routine, maintenance activities and scheduled turnarounds.

## **6. Special Conditions to Section II for Loss settlement**

The basis of loss settlement under Section II of this Policy of Insurance shall be:

### **6.1. Partial Loss**

For damage which can be repaired, the cost necessarily incurred to restore the damaged item to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the Sum Insured. If the repairs are carried out at a workshop owned by the Insured, the Insurer shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced.

### **6.2. Total Loss**

If the cost of repairs equals or exceeds the actual value of the damaged Property Insured immediately before the occurrence of loss or damage, that Property Insured shall be regarded as a constructive total loss.

In the event of a total loss the Insurer shall pay the Actual Cash Value of the Property Insured immediately before the occurrence, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the Sum Insured.

In no case shall the Insurer be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance. The Insured shall not be prevented from recovering a Constructive Total Loss hereunder by reason of any provision(s) in permit, license, Government regulation, or similar circumstances beyond the control of the Insured, which may prevent the Insured from abandoning the subject matter(s) of this insurance to the Insurer. In accordance with the foregoing, the Insurer agrees to waive notice of abandonment but notwithstanding anything to the contrary contained herein the Insurer shall be placed in the same position as if notice of

#### Policy Wordings – Large Risk Insurance Policy



abandonment had been given by the Insured and declined in the customary manner by the Insurer.

### **6.3. Dismantle costs**

The Insurer shall also pay any reasonable costs to dismantle damaged equipment.

### **6.4. Cost of alterations, additions, improvements, maintenance, revisions or overhauls**

The cost of any alterations, additions, improvements, maintenance, revisions or overhauls shall not be recoverable under this Policy.

## **Section III – Business Interruption or Specified Standing Charges and/ or Increased Cost of Working**

### **1. Definitions**

**Annual turnover** means the turnover which, had the interruption of or interference with the business insured not occurred, would have been achieved during the twelve months preceding either the date when the business insured is no longer affected or when the indemnity period ends, whichever is the earlier. Business Insured means the commercial operation of the Property Insured specified in the Schedule to this section.

**Debt service charges** means the amount of the annual payment(s) of interest and if specified the principal on borrowings due by the Insured.

**Gross Profit** means the amount by which the value of the turnover and the value of the closing stock and work in progress exceed the value of the opening stock and work in progress and the amount of the specified working expenses. (Uninsured Working Expenses). The value of the opening and closing stocks and work in progress shall be calculated in accordance with the Insured's normal accounting methods, due provisions being made for depreciation.

**Increased Cost of Working** means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Interest Insured, which, without such expenditure, would have taken place.

**Interest Insured** means either the Gross Profit including any Increased Cost of Working or the specified standing charges including any Increased Cost of Working.

### **Policy Wordings – Large Risk Insurance Policy**



Monetary deductible means the amount to be deducted from any payment otherwise to be made by the Insurer.

**Maximum indemnity period** means the maximum period(s) stated in the Schedule in respect of which cover is afforded for the Interest Insured by this operational business interruption section, beginning subsequent to the occurrence of the Damage and ending not later than the period as specified in the Schedule during which the results of the Business shall be affected in consequence of the damage.

**Rate of Gross Profit** means the percentage of Gross Profit which, had the interruption of or interference with the Business Insured not occurred, would have been earned on the Annual turnover .

**Specified standing charges** means any fixed costs specified in the Schedule which continue to be payable in full during the Indemnity Period.

**Specified working Charges** means any costs incurred for the acquisition of goods, raw materials, chemicals and portion of utilities consumption or auxiliaries as well as for supplies unless required for the upkeep of operations and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, license fees and royalties, insofar as such costs are dependent on turnover. Turnover means the amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered in the course of the Business Insured.

## 2. Insuring Clause

The Insurer shall indemnify the Insured subject to the terms, definitions, warranties, exclusions, limits, provisions and conditions of this Section and of the Policy of Insurance as a whole for a loss of the Interest Insured unless specifically excluded if at any time during the Period of Insurance the Property Insured under any of the operational material damage Sections of this Policy of Insurance suffers loss or damage indemnifiable under the operational material damage Sections or which would have been indemnifiable under the operational material damage Sections but for the application of a deductible, thereby causing an interruption of or interference with the Business Insured in the proportion of said interruption or interference for the part of the Property concerned

## 3. Indemnification

The indemnity arising out of interest insured shall be in respect of: (a) Gross Profit, the loss actually sustained during the Indemnity Period resulting from a reduction in turnover including any Increased Cost of Working or (b) specified standing charges, the amount actually not earned during the Indemnity Period resulting from a reduction in turnover including any Increased Cost of Working.

The indemnity shall not exceed the Sum Insured for the Maximum indemnity period.

## 4. Sum Insured

The Sum Insured shall be

- (a) the annual Gross Profit specified in the Schedule or
- (b) the annual specified standing charges.

### Policy Wordings – Large Risk Insurance Policy



Should the Indemnity Period exceed twelve months, the Gross Profit or the specified standing charges shall be the pro rata amount for that period.

#### **5. Period of Insurance**

The Period of Insurance shall be the period specified in the Schedule. Should at any time after the commencement of this Policy of Insurance (a) the business be wound up or carried on by a liquidator or receiver or administrator or be permanently discontinued, (b) The Insured's interest cease otherwise than by death, then the cover under this Section shall cease on the respective date unless specifically agreed by the Insurer in writing.

#### **6. Indemnity period**

The indemnity period shall be the period during which the Interest Insured is affected by an interruption of or interference with the Business Insured beginning on the date of the occurrence of loss or damage and not exceeding the Maximum indemnity period specified in the Schedule.

#### **7. Premium**

A deposit Premium shall be paid at the inception of this Policy of Insurance and shall be calculated by multiplying the Sum Insured by the Premium Rate.

If the Insured declares at the latest six months after the expiry of any Period of Insurance that the Gross Profit earned during the accounting period of twelve months most closely concurrent with any Period of Insurance, as certified by the Insured's auditors, was less than the Sum Insured thereon, a pro rata return of Premium not exceeding one-third of the Premium paid on such Sum Insured for such Period of Insurance shall be made in respect of the difference.

If any loss or damage has occurred giving rise to any payment under this Section then the amount of any such payment shall be added to the Gross Profit as certified by the Insured's auditors and any return of Premium shall be based on the difference between such sum and the Sum Insured.

#### **8. Time excess and monetary Deductible**

In any one occurrence of loss or damage the Insurer shall not be liable for the amount obtained by multiplying the average daily value of the Interest Insured of the production line(s) having sustained an indemnifiable loss by the number of days specified in the Schedule as the time excess plus any additional monetary Deductible agreed or for the amount of any monetary Deductible specified in the Schedule, whichever is higher.

#### **9. Additional Exclusions for Business Interruption**

In addition to the exclusions under General Conditions of this Policy of Insurance this Section III shall not cover any loss resulting from interruption of or interference with the Business directly or indirectly attributable to any of the following causes:

- (c) loss of Interest Insured due to an interruption of or interference with the Business Insured resulting from:
- (d) loss or damage covered under the operational material damage Section by way of endorsement, unless expressly specified as covered in the Schedule;
- (e) earthquake, volcanic eruption or tsunami, unless expressly specified as covered in the Schedule and/or endorsed to this Policy of Insurance;
- (f) any restrictions imposed by public authority, including restrictions imposed on reconstruction or operation;

#### **Policy Wordings – Large Risk Insurance Policy**



(g) Consequential Loss due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc., which occurs after the date when the items lost, destroyed or damaged are in operating condition again and the Business Insured could have been resumed if said lease, licence or order, etc. had not lapsed or had not been suspended or cancelled.

(h) loss or damage due to abnormal conditions directly or indirectly resulting from experimental testing, testing during the first 72 hours continuous operation of performance/acceptance tests or intentional overloading beyond approved safety limits;

(i) shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item indicated in the list of Property Insured is involved

(j) erasure, loss, distortion or corruption of information on computer systems or other records or software programs unless resulting from an occurrence of loss or damage indemnifiable under the operational material damage section.

(k) loss or damage for which the manufacturer or supplier of the property is responsible either by law or under contract.

(l) The Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;

(m) The Insurer shall not be liable for the amount of any fines or damages for breach of contract, for late or non-completion of orders, or for penalties of whatever nature.

#### **10. Special Conditions pertaining to Claims notification and The Insured's special obligations following an occurrence of loss or damage**

(a) The Insured shall be obliged to keep for the Period of Insurance complete records of the Business Insured, including without limitation - inventories, production and balance sheets for the three preceding years. All records shall be held in safekeeping and, as a precaution against their being simultaneously destroyed, The Insured shall keep separate sets of such records.

(b) In the event of any occurrence of loss or damage which might cause an interruption of or interference with the Business Insured

i. The Insured shall immediately notify the Insurer and send it written confirmation thereof within forty-eight hours of the occurrence;

ii. The Insurer and the Insurer's Agents shall have unlimited access to the Premises to establish the possible cause and extent of the loss or damage, its effect on the Interest Insured, to examine the possibilities for minimizing the interruption of or interference with the Business Insured, and if necessary to make reasonable recommendations for the avoidance or minimization of such interruption or interference;

iii. The Insurer and the Insurer's Agents shall have the right to enter any building where the loss has happened and may take possession of or require that any of the damaged Property Insured be rendered to them and may keep possession of and deal with such damaged Property Insured for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Insurer so to do.

(c) If the Insured or anyone acting on his behalf hinders or obstructs the Insurer in any way or does not comply with any recommendations the Insurer may make pursuant to clause 10 (b) above, all benefits under this Section shall be forfeited.

#### Policy Wordings – Large Risk Insurance Policy

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IRDA of India registration number: 1501 CIN: U66000MH2010PLC209656

UIN No: IRDAN150P0005V01201314

(d) In the event of a claim being made under this section, the Insured shall at his own expense deliver to the Insurer not later than thirty days after the interruption of or interference with the Business Insured or within such further periods as the Insurer may allow in writing a written statement setting forth particulars of the claim.

(e) The Insured shall at his own expense produce and furnish to the Insurer such books of account and other business books or other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of the truth of the claim and of any matters connected therewith.

### **11. Conditions for Loss settlement under Section III**

In the event of an interruption of or interference with the Business Insured the basis of loss settlement under this Section shall be as follows:

#### **11.1. Loss of Gross Profit**

In respect of loss of Gross Profit, the Insurer shall pay the amount obtained by multiplying the Rate of Gross Profit with the amount by which the actual turnover during the Indemnity Period falls short of the turnover, which would have been achieved, had the loss or damage not occurred.

If the annual Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the Indemnity Period exceeds twelve months, the turnover calculated for the equivalent period, the amount payable shall be reduced proportionately.

#### **11.2. Specified standing charges**

In respect of specified standing charges, the Insurer shall pay the amount obtained by multiplying the percentage by which the actual turnover during the Indemnity Period falls short of the turnover which would have been achieved had the interruption of or interference with the Business Insured not occurred by the amount of specified standing charges incurred during the interruption or interference.

If the Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the Indemnity Period exceeds twelve months, the pro rata turnover for that period, the amount payable shall be reduced proportionately.

#### **11.3. Increased Cost of Working**

In respect of Increased Cost of Working, the Insurer shall pay the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, without such expenditure, would have occurred during the Indemnity Period.

The indemnity shall not exceed the amount of loss of Interest Insured thereby avoided.

#### **11.4. Calculation of Rate of Gross Profit and Annual turnover**

In calculating the Rate of Gross Profit and Annual turnover, the following aspects shall be taken into consideration:

- (a) the trend of the Business Insured;
- (b) the results of the Business Insured during the financial year preceding the date of the loss or damage or, in the event of the loss or damage occurring during the first year of commercial operation, the turnover during the following financial year;
- (c) any circumstances affecting the Business Insured either before or after loss or damage or which would have affected the Business Insured had the loss or damage not occurred;
- (d) any benefits from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the Business Insured which the Insured may receive during a period of six months immediately following the re-commissioning of insured plant and/or machinery after a loss or damage;
- (e) allowance for the time spent on any overhauls, inspections or modifications carried out during the period the Business Insured was affected by any interruption or interference;
- (f) any money paid or payable in respect of goods which are sold or services which are rendered elsewhere than at the Premises for the benefit of the Business Insured either by the Insured or by another party acting on his behalf;
- (g) any amount saved during the Indemnity Period in respect of any charges and expenses of the business payable out of the Gross Profit that may cease or be reduced in consequence of loss or damage.

The final figures shall represent as closely as may be deemed reasonable the results, which the Business Insured would have achieved, had the loss or damage not occurred

### **11.5. Payment of Indemnity**

5.1. Subject to clause 5.3 below the Insurer shall pay the Insured any amount due under this Section one month after final determination of the amount due.

5.2. The Insured may, one month after the Insurer has been duly notified of the loss of Interest Insured and has acknowledged its liability, claim as advance payment(s) the minimum amount(s) The Insurer agrees are payable.

5.3. The Insurer shall be entitled to postpone payment beyond the period set out in 5.1 above if

(a) there are doubts as to the Insured's right to receive payment, in which case payment shall not become due until such time as the necessary proof is furnished by the Insured or the Insurer accepts liability;

(b) as a result of any loss or damage or any interference with or interruption of the Business Insured, police or criminal investigations have been initiated against the Insured, in which case payment will not become due until the completion of such investigations, provided always that if the Insured is convicted of any offence in respect of any claim for indemnity under this Policy of Insurance, the insurance cover under this Section shall be void.

5.4. The Insurer shall not be liable to pay interest on indemnity withheld other than

interest for default.

## **12. Provisions to Section III**

### **12.1. Value Added Tax**

To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this Policy of Insurance shall be exclusive of such tax.

### **12.2. Current Cost Accounting Adjustment**

For the purpose of the definitions in B.3.1, any adjustment implemented in current cost accounting shall be disregarded.

## **13. Special Conditions pertaining to Section III**

### **13.1. Alternative Trading Clause:**

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the output during the Indemnity Period.

### **13.2. Uninsured Standing Charges Clause**

If any standing charges of the Business be not insured by this Policy of Insurance (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges. Where the Specified working Charges (Uninsured Working Expenses) are recognized variable charges, the Uninsured Standing Charges Clause and the reference hereto should be deleted.

### **13.3. Professional Accountants Clause:**

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurer for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause shall not exceed the limit stated in the Schedule and the amount otherwise payable under the Policy of Insurance shall in no case exceed the liability of the Insurer as stated.

### **13.4. Aggravation Clause**

It is noted and agreed that the operation of the excluded perils shall not prejudice the right of the Insured to recover under this Policy of Insurance any further loss caused by aggravation of an originally covered loss within the period of Indemnity.

## **14. Additional Memoranda for Business Interruption**

**14.1. Overhauls**

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.

**14.2. Departmental Clause**

If the Business be conducted in Departments, the independent trading results of which are ascertainable, the provisions of clauses 11.1 and 11.3 shall apply separately to each Department affected by the incident.

**Section IV- Marine Transit Section**

**1. Type**

Marine Cargo Insurance

**2. Interest**

Goods and/or merchandise and/or cargo of every description incidental to the business of the Assured, or otherwise, including duties and/or taxes if applicable and increased value howsoever arising if required, the property of the Assured or for which the Assured have or assume a responsibility to insure, whether contractually or otherwise, or for which the Assured receive instructions to insure prior to shipment or prior to known or reported loss or accident, consisting principally of but not limited to

.....  
Other interests held covered at rates to be agreed by Underwriters.

**3. Voyage**

At and from ports and/or places anywhere in India to ports and/or places anywhere in India including transits to or from the premises of the Assured, forwarders, packers, consolidators, hauliers, warehousemen and other bailees, via any route including transshipment by land, water or air.

Notwithstanding the foregoing, in respect of goods purchased by the Assured where risk passes to the Assured after transit has commenced, it is agreed that the insurance cover commences from the attachment of the Assured's interest in the goods purchased, Underwriters being subrogated to the Assured's rights of recourse against the suppliers and/or their insurers.

Other voyages held covered at rates to be agreed by Underwriters.

**4. Conveyance**

Per any sea, land or air conveyance, including connecting conveyance.

If the total value at risk exceeds the limit of liability provided by this Policy, the Insurers shall be liable for a rateable proportion of loss as the limit of liability bears to the total value at risk in respect of such loss. In case of series of losses arising out of an event, each loss shall be calculated independently as per the above wordings but the aggregate liability of the

**Policy Wordings – Large Risk Insurance Policy**



Insurer in respect of all such losses shall not exceed the limit of liability as provided by this Policy.

Should there be an accumulation of interests beyond the limits expressed in this Policy by reason of any interruption of the transit and/or an occurrence beyond the control of the Assured and/or by reason of any casualty and/or at a transshipping point and/or on a connecting vessel or conveyance it is agreed that such excess interest is covered hereunder subject to Insurers' liability being limited to a maximum of 200% of the policy limits contained herein.

#### **5. Choice of law and Jurisdiction**

This insurance shall be governed by and construed in accordance with the laws of India. Any disputes arising under this contract shall be subject to exclusive jurisdiction of Indian Courts.

### **Section V- Commercial General Liability**

#### **1. Insuring Clause**

Liberty General Insurance Limited (We, Our, Us or Company) will pay to or on behalf of the Insured (You, Your/Yourself) all sums which the Insured shall become legally liable to pay by way of compensation as a result of a Claim both first made against the Insured and notified to the Company during the Period of Insurance for Injury and/or Damage in connection with the Insured's Business.

#### **2. Definitions**

**“Asbestos”** means:

- i) That group of natural fibrous silicate minerals that comprises Actinolite, Amosite, Anthophyllite, Chrysotile, Crocidolite and Tremolite; or
- ii) That group of manmade mineral fibres that comprises mineral wool, rockwool, glass fibre, ceramic fibres and superfine fibres,

And includes Asbestos Products and Products containing Asbestos.

**“Claim” or “Claims”** means:

- i) Any writ, statement of claim, summons, application or other originating legal or arbitral process, cross claim, counter-claim or third or similar party notice issued against or served on the Insured; or
- ii) Any written Claim or allegation against the Insured arising out of, resulting from or in connection with any Injury and/or Damage.

**“Damage”** means:

i) Physical damage to or destruction of tangible property including all resulting loss of use of that property. All such loss of use shall be deemed to happen at the time of the physical damage that caused it; or

ii) Loss of use of tangible property that is not physically damaged or destroyed provided such loss of use is caused by physical damage to other tangible property which first happened during the Period of Insurance. All such loss of use shall be deemed to happen at the time of the physical damage or destruction that caused it.

**“Deductible”**-Amount stated in the schedule, which will be first borne by the Insured in respect of each and every claim. Our liability to make any payment under the Policy will be the amount in excess of Deductible and limited to the maximum Sum Insured mentioned in the Policy Schedule.

**“Employment Practices”** means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, unfair contracts, harassment or discrimination (sexual or otherwise) in respect of employment by the Insured.

**“Injury”** means death, bodily injury, sickness or disease to any person.

**“Insured”** wherever used in this Policy means the Insured named in the Schedule and:

Any subsidiary company of the Insured including subsidiaries thereof; or

Any other entity controlled by the Insured and over which the Insured assumes active management

**“Insured’s Business”** is the business shown in the Schedule.

**“Lead”** means the element lead in any form, including its use or presence in any product, alloy, compound, by-product or other material or Waste.

**“Company”** means Liberty General Insurance Limited

**“Limit of Indemnity or Liability ”** means the amount stated in the Schedule pursuant to Clause 5 of this Section.

**“Period of Insurance”** is the period shown in the Schedule.

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, cinders, dust, odours, noise, acids, alkalis, chemicals or waste.

**“Policy”**– means the Proposal Forms and Declaration with your statements, the Policy Schedule, and any attached forms, endorsements, papers or riders.

**“Product”** means any commodity, article or thing (after it has ceased to be in the possession or under the control of the Insured) which is or is deemed (whether by law or otherwise) to have been manufactured, constructed, grown, extracted, produced, processed, assembled, erected, installed, treated, altered, serviced, repaired, sold, handled, supplied or

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distributed by the Insured or by others trading under the name of the Insured (including any container thereof other than a motor vehicle).

**“Proposal form”** - the application form for Insurance Cover submitted to the Company along with all information and Declarations which has enabled the Company in considering whether and on what terms to offer this insurance.

**“Retroactive Date”** means the date showed in the Schedule

**“Terrorism”** means an act or acts:

1) Including but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Or

2) That result in:

2.1) The denial of access to or services from web sites, computer networks, or telecommunications equipment; or

2.1) The malfunction or degradation of web sites, computer networks, telecommunications equipment, or mechanical equipment, or the interruption to the functioning of web sites or such properties,

And that have the apparent intent of intimidating or coercing any civilian population or influencing the Policy of any government by intimidation or coercion.

**“Waste”** includes materials to be disposed of, recycled, reconditioned or reclaimed.

**“Worker”** means any person employed by the Insured or deemed to be employed by the Insured whether pursuant to any Workers’ Compensation Law or otherwise.

**“Workers’ Compensation Law”** means any law relating to compensation for Injury to Workers or employees including but not limited to the Employees’ Compensation Act 1923.

**“We, Us, Our, Company”** - Liberty General Insurance Limited.

**“You/Your/Yourself”**- means the Insured who is named in the Policy Schedule.

**“Principal”** means a party that has the primary responsibility in a liability or obligation.

### 3. Indemnity to Others

Subject to the terms of this Policy and in accordance with Insuring Clause 1, this Policy will extend to pay to or on behalf of:



- 3.1 Any principal, in respect of that principal's vicarious liability for the negligent acts or omissions of the Insured pursuant to Definition of the Insured and arising out of the Insured's Business, but this Policy does not extend to the liability of any principal howsoever arising out of the negligence, breach of contract or breach of duty of such principal; or
- 3.2 Any director, executive officer or Worker of the Insured or, where the Insured is a partnership, any partner of the Insured, but only while acting within the scope of their duties in such capacity;
- 3.3 The officers, committee and members of the Insured's canteen, social, sports, first aid/ medical, fire fighting and employee welfare organisations in their respective capacity as such; or
- 3.4 The legal personal representative of any person entitled to indemnity under this Clause 3 in circumstances giving rise to indemnity under this Policy.

Provided always that all such persons or parties shall, whilst not being a party to this contract, observe, fulfil and be subject to the terms of this Policy in so far as they apply as though they were the Insured.

#### **4. Cross Liabilities**

Subject at all times to the terms of this Policy, each person or party indemnified is separately indemnified in respect of Claims made by any of them against any other of them provided that the Company's total liability shall not exceed the Limit of Indemnity for all claims under this Policy.

#### **5. Limit of Indemnity**

The total aggregate liability of the Company for any one Period of Insurance for all Claims shall not exceed the Limit of Indemnity in the Schedule.

#### **6. Defence Costs**

The Company will pay all reasonable legal costs and/or expenses incurred by the Insured, with the Company's prior written consent in connection with any Claim for which the Insured is indemnified by this Policy.

Provided that the Company shall not be liable for legal costs and/or expenses where indemnity is not provided by this Policy.

Provided that legal costs and/or expenses incurred in connection with any Claim shall form part of Limit of Indemnity and will not be payable by the Company in addition to the Limit of Indemnity.

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In the event the Insured is a party to a demand, legal proceedings, inquiry or hearing which is covered only in part by this Policy, the Insured and the Company will use their best efforts to agree upon a fair and proper allocation of legal costs and/or expenses or any other amount insured under this Policy which relate solely to what is covered under this Policy.

In the event that an agreement cannot be reached, a Senior Counsel (so designated by the High Court and mutually agreed upon by the Company and the Insured) shall, as an expert and not an arbitrator, determine a fair and proper allocation. Until the Senior Counsel has made his or her determination the Company may, in its absolute discretion, pay such legal costs and/or expenses or any other amount insured under this Policy as it considers appropriate.

## **7. Exclusions**

This Policy does not cover liability directly or indirectly caused by, arising out of or in any way connected with:

- 7.1 The ownership, maintenance, operation, possession, use, loading or unloading by or on behalf of the Insured of any motor vehicle or trailer which is required by law to be registered or in respect of which there is required by law to be in force a policy of compulsory liability insurance, including but not limited to the Indian Motor Vehicles Act, 1988 or equivalent local legislation in the relevant jurisdiction, but this exclusion does not apply to:
  - 7.1.1 Injury for which no indemnity is or would be available to the Insured under the said policy of compulsory liability insurance had the Insured complied with its obligations pursuant to such law;
  - 7.1.2 Injury caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer for which no indemnity is or would be available to the Insured under the said policy of compulsory liability insurance had the Insured complied with its obligations pursuant to such law;
  - 7.1.3 Damage caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
  - 7.1.4 Damage to any bridge, weighbridge or road, or anything beneath such bridge, weighbridge or road caused by the weight of any motor vehicle or trailer or of the load carried thereon; or
  - 7.1.5 Damage to any motor vehicle or trailer (not owned, leased or hired by, under hire purchase, on loan or rented to the Insured) temporarily in the Insured's

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custody or control for the purpose of parking and directly arising out of such parking.

7.2 Damage to property owned, leased, hired by, under hire purchase, on loan or rented to the Insured or otherwise in the Insured's care, custody or control other than:

7.2.1 Premises (or to contents thereof) temporarily occupied by the Insured for the purpose of carrying out works thereto or thereon, but no indemnity is granted for liability in respect of physical damage to or destruction of that part of any premises or contents on which the Insured is or has been working on if the physical damage or destruction arises from such work;

7.2.2 Premises tenanted by the Insured

7.2.3 Directors', employees' and visitors' clothing and personal effects; or

7.2.4 Other property (not owned by the Insured) temporarily in the Insured's possession provided:

7.2.4.1 No indemnity is granted for liability in respect of physical damage to or destruction of that part of any property upon which the Insured is or has been working on if the physical damage or destruction arises from such work; and

7.2.4.2 The Company's limit of liability under this clause 7.2.4 does not exceed the sub limit as stated in the Policy Schedule under Terms & Conditions,

Provided further that no indemnity is granted under this Policy in respect of liability assumed by the Insured under any contract or agreement which requires the Insured to effect material damage insurance on premises, property or goods not owned by the Insured.

7.3 Damages claimed for, and/or the costs of withdrawal, recall, inspection, repair, replacement, disposal or loss of use of the Insured's Products or of any property of which such Products form a part, if such Products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

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- 7.4 Damage to the Insured's Product if such Damage is attributable to any defect therein or harmful nature or unsuitability thereof.
- 7.5 Any product guarantee or warranty given by or on behalf of the Insured.
- 7.6 Liability assumed under the terms of a contract, agreement or warranty unless the Insured would have been liable in the absence of such contract, agreement or warranty.
- 7.7 Liability assumed where the Insured may have been able to recover from another party but for an agreement between the Insured and such party where the Insured has waived, released or abandoned any right of recourse or recovery against any other party.
- 7.8 Any Product product which is incorporated into the structure, machinery or controls of any aircraft, aerial device, watercraft or hovercraft.
- 7.9 Injury to any Worker.  
Provided that if the Insured:
- 7.9.1 Is required by law to insure or otherwise fund, whether through self insurance, statutory fund or other statutory scheme, all or part of any common law liability (whether limited in amount or not) for such Injury; or
- 7.9.2 Is not required to so insure or otherwise fund such liability by reason only that the Injury is to a person who is not an employee within the meaning of the Employees' Compensation Act, 1923 or the Injury is not an Injury which is subject to the said Act;

Then this Policy will respond to the extent that the Insured's liability would not be covered under any such fund, scheme, Policy of Insurance or self insurance arrangement had the Insured complied with its obligations pursuant to the Workers' Compensation Law.

- 7.10 7.10.1 Any Workers' Compensation Law;
- 7.10.2 The provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination; or
- 7.10.3 Employment Practices.
- 7.11 The loss of use of tangible property which has not been physically damaged or destroyed resulting from:
- 7.11.1 A delay in or lack of performance by or on behalf of the Insured of any contract or agreement; or
- 7.11.2 The failure of any Product to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by the Insured but this exclusion does not apply to loss of use of other tangible property directly or

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indirectly caused by, arising out of or in any way connected with or resulting from the sudden and accidental physical damage to or destruction of the product after such product has been put to use by any person or organisation other than the Insured.

7.12 Any change in the nature of the Insured's Business which:

7.12.1 Occurred during the currency of this Policy; and

7.12.2 Was known by the Insured, or would have been known by a reasonable person in the circumstances, to be likely to increase the risk of Injury or Damage for which indemnity is provided by this Policy,

For the purposes of this exclusion, where the Insured is a corporate body, the knowledge of any director or officer of the Insured shall be deemed to be the knowledge of the Insured.

7.13 7.13.1 The rendering of or failure to render professional advice or service by the Insured or any error or omission connected therewith; or

7.13.2 Advice, design, formula or specification given for a fee by the Insured or any person covered by Clause 3 of this Policy,

Provided that this exclusion does not apply to the rendering of first aid or medical services on the Insured's premises by medical persons employed by the Insured.

7.14 7.14.1 The actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of Pollutants, provided always that this Exclusion 7.14.1 shall not apply to liability which is directly caused by a sudden, accidental, instantaneous, unintended, identifiable and unexpected happening which takes place in its entirety at a specific time and place;

7.14.2 Any expenses for the prevention of the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of Pollutants;

7.14.3 Testing, monitoring, clean up, removal, containment, treatment, detoxifying or neutralising of Pollutants or their effect; or

7.14.4 The actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of Pollutants caused by any Product that has been discarded, dumped, abandoned or thrown away by others.

The total aggregate liability of the Company for all claims covered in any one Period of Insurance in respect of the proviso in Exclusion 7.14.1 shall not exceed the Limit of Indemnity shown in the Schedule.

7.15 Injury sustained due to the inhalation or ingestion of, or exposure to:

7.15.1 Tobacco or tobacco smoke; or

#### Policy Wordings – Large Risk Insurance Policy

- 7.15.2 Any ingredient or additive present in any articles, items or goods which contain or include tobacco.
- 7.16 7.16.1 Ionising radiations or contamination from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Combustion shall include any self-sustaining process of nuclear fission or fusion; or
- 7.16.2 Nuclear weapons material.
- 7.17 And regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
- 7.17.1 War and military action which includes without limitation the following:
- 7.12.1.1 War, including undeclared or civil war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), military or usurped power or confiscation, nationalisation, requisition, destruction of or damage to property by or under the order of any government or public or local authority;
- 7.12.1.2 War like action by military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 7.12.1.3 Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- 7.17.2 Any actual or threatened act of domestic or international Terrorism committed by a Person or persons acting:
- 7.17.2.1 Alone or on behalf of or in connection with any organisation; or
- 7.17.2.2 With the goal of furthering any political, social, religious, ideological or similar objective.
- 7.17.3 Action taken to prevent or defend against an act of Terrorism.
- If an act of Terrorism involves chemical or biological weapons, this Terrorism exclusion will still apply.

If an act of Terrorism involves nuclear reaction, nuclear radiation or radioactive contamination, this Terrorism exclusion will apply to liabilities that result from such nuclear reaction, nuclear radiation or radioactive contamination in place of Exclusion 7.16.

7.18 The ownership, maintenance, operation, possession or use by or on behalf of the Insured of:

7.18.1 Any aircraft or aerial device;

7.18.2 Any watercraft exceeding 20 metres in length; or

7.18.3 Any hovercraft.

7.19 The Deductible shown in the Schedule.

7.20 The erection, demolition, alteration of and/or addition to buildings by or on behalf of the Insured except for contracts not exceeding in cost the sub-limit as stated in the Policy Schedule under Terms & Conditions or 10% of the Limit of Indemnity whichever is the lesser.

7.21 Asbestos.

7.22. 7.22.1 Claims made and actions instituted within the United States of America or Canada, their respective territories and protectorates and any other territory coming within the jurisdiction of the courts of the United States of America or Canada; or

7.22.2 Claims and actions to which the laws of the United States of America or Canada and their respective territories and protectorates apply.

7.23 Fines, penalties, punitive damages, exemplary damages, multiplication of compensatory damages, liquidated damages and/or aggravated damages.

7.24 Any alleged or actual fraudulent, dishonest, malicious, wilful or criminal act or omission of the Insured or any person covered by Clause 3 of this Section.

7.25 Any Claim where the Injury and/or Damage is prior to the Retroactive Date.

7.26 7.26.1 Any Claim made prior to or existing at the inception of this Policy; or

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- 7.26.2 Any Claim in respect of any fact or circumstance known to the Insured prior to or existing at the inception of this Policy and which the Insured knew or ought reasonably to have known might give rise to a Claim; or
- 7.26.3 Any Claim or circumstance likely to give rise to a Claim stated in the Proposal Form, being the basis of this contract; or
- 7.26.4 Any Claim or circumstance notified, or which ought to have been notified under any prior Policy.
- 7.27
- 7.27.1 Injury and/or Damage including the loss of use of property arising out of the presence, ingestion, inhalation, absorption, application of or exposure to Lead in any form;
- 7.27.2 Any actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of Lead;
- 7.27.3 Any loss, cost, expense, claim or suit by or on behalf of any person or entity or arising out of any governmental direction or request that the Insured tests for, monitors, cleans up, removes, contains, treats, detoxifies or neutralizes Lead or its effect; or
- 7.27.4 Lead contamination or pollution, whether or not the contamination or pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.
- 7.28 The actual or alleged publication, utterance, oral or written statements which are claimed as an infringement, violation or defence of any of the following rights or laws:
- 7.28.1 Copyright, other than infringement of copyrighted advertising materials;
- 7.28.2 Patent;
- 7.28.3 Trade secrets;
- 7.28.4 Trade dress; or
- 7.28.5 Trademark, service mark, certification mark, collective mark or trade name, other than trademarked or service marked titles or slogans.

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## Grievance Redressal

We are concerned about you and are committed to extend the best possible services. In case you are not satisfied with our services or resolutions, please follow the below steps for redressal.

**Step 1**

**Call us** on Toll free number: **1800-266-5844**

(8:00 AM to 8:00 PM, 7 days of the week)

or

**Email us at:** [care@libertyinsurance.in](mailto:care@libertyinsurance.in)

or

**Write to us at:**

**Customer Service**

**Liberty General Insurance Limited**

Unit 1501 & 1502, 15th Floor, Tower 2, One  
 International Center, Senapati Bapat Marg,  
 Prabhadevi, Mumbai - 400013.

**Step 2**

If our response or resolution does not meet your expectations, you can escalate at

[Manager@libertyinsurance.in](mailto:Manager@libertyinsurance.in)

**Step 3**

If you are still not satisfied with the resolution provided, you can further escalate at

[Servicehead@libertyinsurance.in](mailto:Servicehead@libertyinsurance.in)

An acknowledgement will be sent on receipt of your concern, we would then investigate the matter internally and respond with a suitable resolution. Please share your contact details to enable us to get in touch with you.

In case you are not satisfied with the decision or resolution provided by the company you may approach the Insurance Ombudsman for redressal. The details of Insurance Ombudsman offices are given below:

Office of the Ombudsman and Contact Details	Areas of Jurisdiction
<b>AHMEDABAD</b> Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: <a href="mailto:bimalokpal.ahmedabad@ecoi.co.in">bimalokpal.ahmedabad@ecoi.co.in</a>	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
<b>BENGALURU</b> Office of the Insurance Ombudsman, Jeevan Soudha Building, PID No. 57-27-N-19, Ground Floor, 19/19, 24th Main Road, JP Nagar, Ist Phase,	Karnataka.

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Liberty General Insurance Limited, Unit 1501 & 1502, 15th Floor, Tower 2, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013.

Phone: +91 22 6700 1313 Fax: +91 22 6700 1606, Email: [care@libertyinsurance.in](mailto:care@libertyinsurance.in)

Call Toll Free No : 1800 266 5844, website : [www.libertyinsurance.in](http://www.libertyinsurance.in)

IRDA of India registration number: 1501 CIN: U66000MH2010PLC209656

UIN No: IRDAN150P0005V01201314

Office of the Ombudsman and Contact Details	Areas of Jurisdiction
Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: <a href="mailto:bimalokpal.bengaluru@ecoi.co.in">bimalokpal.bengaluru@ecoi.co.in</a>	
<b>BHOPAL</b> Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar,  Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: <a href="mailto:bimalokpal.bhopal@ecoi.co.in">bimalokpal.bhopal@ecoi.co.in</a>	Madhya Pradesh Chattisgarh.
<b>BHUBANESHWAR</b> Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461 / 2596455 Fax: 0674 - 2596429 Email: <a href="mailto:bimalokpal.bhubaneswar@ecoi.co.in">bimalokpal.bhubaneswar@ecoi.co.in</a>	Orissa
<b>CHANDIGARH</b> Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: <a href="mailto:bimalokpal.chandigarh@ecoi.co.in">bimalokpal.chandigarh@ecoi.co.in</a>	Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, Chandigarh.
<b>CHENNAI</b> Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: <a href="mailto:bimalokpal.chennai@ecoi.co.in">bimalokpal.chennai@ecoi.co.in</a>	Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry).
<b>DELHI</b> Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 2323481/23213504	Delhi.

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Office of the Ombudsman and Contact Details	Areas of Jurisdiction
Email: <a href="mailto:bimalokpal.delhi@ecoi.co.in">bimalokpal.delhi@ecoi.co.in</a>	
<b>GUWAHATI</b> Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2132204 / 2132205 Fax: 0361 - 2732937 Email: <a href="mailto:bimalokpal.guwahati@ecoi.co.in">bimalokpal.guwahati@ecoi.co.in</a>	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.
<b>HYDERABAD</b> Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 65504123 / 23312122 Fax: 040 - 23376599 Email: <a href="mailto:bimalokpal.hyderabad@ecoi.co.in">bimalokpal.hyderabad@ecoi.co.in</a>	Andhra Pradesh, Telangana, Yanam and part of Territory of Pondicherry.
<b>JAIPUR</b> Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: <a href="mailto:Bimalokpal.jaipur@ecoi.co.in">Bimalokpal.jaipur@ecoi.co.in</a>	Rajasthan.
<b>ERNAKULAM</b> Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: <a href="mailto:bimalokpal.ernakulam@ecoi.co.in">bimalokpal.ernakulam@ecoi.co.in</a>	Kerala, Lakshadweep, Mahe-a part of Pondicherry.
<b>KOLKATA</b> Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341	West Bengal, Sikkim, Andaman & Nicobar Islands.

Policy Wordings – Large Risk Insurance Policy

Office of the Ombudsman and Contact Details	Areas of Jurisdiction
Email: <a href="mailto:bimalokpal.kolkata@ecoi.co.in">bimalokpal.kolkata@ecoi.co.in</a>	
<b>LUCKNOW</b> Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: <a href="mailto:bimalokpal.lucknow@ecoi.co.in">bimalokpal.lucknow@ecoi.co.in</a>	Districts of Uttar Pradesh : Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
<b>MUMBAI</b> Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: <a href="mailto:bimalokpal.mumbai@ecoi.co.in">bimalokpal.mumbai@ecoi.co.in</a>	Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.
<b>NOIDA</b> Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120-2514250 / 2514252 / 2514253 Email: <a href="mailto:bimalokpal.noida@ecoi.co.in">bimalokpal.noida@ecoi.co.in</a>	State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.
<b>PATNA</b> Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building,, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel.: 0612-2680952	Bihar, Jharkhand.

## Policy Wordings – Large Risk Insurance Policy

Office of the Ombudsman and Contact Details	Areas of Jurisdiction
Email: <a href="mailto:bimalokpal.patna@ecoi.co.in">bimalokpal.patna@ecoi.co.in</a>	
<b>PUNE</b> Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road,  Narayan Peth, Pune – 411 030. Tel.: 020-41312555 Email: <a href="mailto:bimalokpal.pune@ecoi.co.in">bimalokpal.pune@ecoi.co.in</a>	Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.

<b>GOVERNING BODY OF INSURANCE COUNCIL</b>
Shri P.N. Gandhi, Secretary General  Smt Moushumi Mukherji, Secretary  3 <sup>rd</sup> Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai – 400 054.  Tel: 022 – 26106889 / 671 / 980  Fax: 022 – 26106949  Email: <a href="mailto:inscoun@ecoi.co.in">inscoun@ecoi.co.in</a>

For updated details of Insurance Ombudsman Offices you may visit Governing Body of Insurance Council (GBIC) website at <http://www.gbic.co.in/ombudsman.html> or our website at <https://www.libertyinsurance.in/customer-support/grievance-redressal>